



DEPARTMENT OF COMMERCE

International Trade Administration

[C-580-888]

Certain Carbon and Alloy Steel Cut-to-Length Plate from the Republic of Korea: Preliminary Results and Partial Rescission of Countervailing Duty Administrative Review; 2021

AGENCY: Enforcement and Compliance, International Trade Administration, U.S.
Department of Commerce.

SUMMARY: The U.S. Department of Commerce (Commerce) preliminarily determines that countervailable subsidies are being provided to certain producers and exporters of certain carbon and alloy steel cut-to-length plate (CTL plate) from the Republic of Korea (Korea) during the period of review (POR) January 1, 2021, through December 31, 2021. In addition, Commerce is rescinding this review with respect to 44 companies. Interested parties are invited to comment on these preliminary results of review.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Faris Montgomery, AD/CVD Operations, Office VIII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-1537.

SUPPLEMENTARY INFORMATION:

Background

On May 25, 2017, Commerce published a countervailing duty (CVD) order on CTL plate from Korea.¹ On July 14, 2022, Commerce published a notice of initiation of an administrative

¹ See *Certain Carbon and Alloy Steel Cut-to-Length Plate from the Republic of Korea: Countervailing Duty Order*, 82 FR 24103 (May 25, 2017) (*Order*).

review of the *Order*.² We initiated an administrative review of 46 producers/exporters of CTL plate from Korea for the POR. On August 1, 2022, Commerce selected POSCO as the sole mandatory respondent in this administrative review.³

On December 22, 2022, Commerce extended the deadline for the preliminary results of this review to no later than May 31, 2023.⁴

For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.⁵ A list of topics discussed in the Preliminary Decision Memorandum is included at Appendix I. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Scope of the *Order*

The merchandise covered by the *Order* is CTL plate. For a complete description of the scope of the *Order*, *see* the Preliminary Decision Memorandum.

Rescission of Administrative Review, in Part

On September 6, 2022, Commerce notified interested parties that we intended to rescind this administrative review for 44 companies for which the record information shows no suspended entries of subject merchandise during the POR.⁶ No parties commented on the notification of the intent to rescind the review, in part. Therefore, we find that there were no

² *See Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 87 FR 42144, 42151 (July 14, 2022) (*Initiation Notice*).

³ *See* Memorandum, "Respondent Selection," dated August 1, 2022.

⁴ *See* Memorandum, "Extension of Deadline for Preliminary Results of Countervailing Duty Administrative Review; 2021," dated December 22, 2022.

⁵ *See* Memorandum, "Decision Memorandum for the Preliminary Results of the Countervailing Duty Administrative Review; 2021: Certain Carbon and Alloy Steel Cut-to-Length Plate from the Republic of Korea," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

⁶ *See* Memorandum, "Notice of Intent to Rescind Review, in Part," dated September 6, 2022.

entries of subject merchandise during the POR by the 44 companies listed in Appendix II. As a result of our finding, we are rescinding this review, in part, pursuant to 19 CFR 351.213(d)(3) with respect to these companies. For further information regarding this determination, *see* “Rescission of Administrative Review, In Part” section in the Preliminary Decision Memorandum.

Methodology

Commerce is conducting this CVD administrative review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended (the Act). For each of the subsidy programs found countervailable, we preliminarily determine that there is a subsidy, *i.e.*, a government-provided financial contribution that gives rise to a benefit to the recipient, and that the subsidy is specific.⁷ For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum.

Preliminary Results of Review

In accordance with 19 CFR 351.221(b)(4)(i), we calculated an individual net countervailable subsidy rate for POSCO. We preliminarily find the countervailable subsidy rate for the mandatory respondent under review to be as follows:

Manufacturer/Exporter	Net Countervailable Subsidy Rate (percent <i>ad valorem</i>)
POSCO ⁸	0.79

⁷ *See* sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

⁸ As discussed in the Preliminary Decision Memorandum, Commerce preliminarily finds the following companies to be cross-owned with POSCO: Pohang Scrap Recycling Distribution Center Co. Ltd.; POSCO Chemical Co., Ltd.; POSCO M-Tech Co., Ltd.; POSCO Nippon Steel RHF Joint Venture Co., Ltd.; POSCO SPS Co., Ltd.; and POSCO Terminal Co., Ltd. The subsidy rate applies to all cross-owned companies. We note that POSCO has an affiliated trading company through which it exported certain subject merchandise during the POR, POSCO International (aka POSCO International Corporation). POSCO International was not selected as a mandatory respondent but was examined in the context of POSCO. Therefore, there is not an established CVD rate for POSCO International; POSCO International’s subsidies are accounted for in POSCO’s total subsidy rate. Instead, entries of subject merchandise exported by POSCO International will receive the rate of the producer listed on the U.S. Customs and Border Protection (CBP) entry form. Thus, the subsidy rate applied to POSCO and POSCO’s cross-owned affiliates is also applied to POSCO International for entries of subject merchandise produced by POSCO.

Disclosure

We intend to disclose to parties to this proceeding the calculations performed in reaching the preliminary results in accordance with 19 CFR 351.224(b).

Verification

As provided in section 782(i)(3) of the Act, Commerce intends to verify the information relied upon for its final results of this review.

Public Comment

Case briefs or other written comments may be submitted to the Assistant Secretary for Enforcement and Compliance. Interested parties will be notified of the timeline for the submission of case briefs at a later date.⁹ Rebuttal briefs, limited to issues raised in the case briefs, may be filed no later than seven days after the date for filing case briefs.¹⁰ Pursuant to 19 CFR 351.309(d)(2), rebuttal briefs must be limited to issues raised in the case briefs. Parties who submit arguments are requested to submit with the argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.¹¹

Pursuant to 19 CFR 251.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, using Enforcement and Compliance's ACCESS system within 30 days of publication of this notice.¹² Requests should contain: (1) the party's name, address, and telephone number; (2) the number of participants; (3) whether any participant is a foreign national; and (4) a list of issues to be discussed. Issues raised in the hearing will be limited to those raised in the respective case and rebuttal briefs. If a request for a hearing is made, Commerce intends to hold the hearing at a time and date to be determined. Parties should confirm the date and time of the hearing two days before the scheduled date.

⁹ See 19 CFR 351.309(c)(1)(ii); see also 19 CFR 351.303 (for general filing requirements).

¹⁰ See 19 CFR 351.309(d)(1); see also *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19*, 85 FR 17006, 17007 (March 26, 2020).

¹¹ See 19 CFR 351.309(c)(2) and 351.309(d)(2).

¹² See 19 CFR 351.310(c).

Parties are reminded that all briefs and hearing requests must be filed electronically using ACCESS¹³ and must be served on interested parties.¹⁴ Electronically filed documents must be received successfully in their entirety by 5:00 p.m. Eastern Time on the established deadline. Note that Commerce has temporarily modified certain of its requirements for serving documents containing business proprietary information, until further notice.¹⁵

Final Results

Unless the deadline is extended pursuant to section 751(a)(3)(A) of the Act and 19 CFR 351.213(h)(2), Commerce intends to issue the final results of this administrative review, including the results of its analysis of the issues raised by the parties in any written briefs, no later than 120 days after the date of publication of these preliminary results.

Assessment Rates

In accordance with 19 CFR 351.221(b)(4)(i), we preliminarily assigned subsidy rates in the amounts shown above for the producers/exporters shown above. Upon completion of the administrative review, consistent with section 751(a)(1) of the Act and 19 CFR 351.212(b)(2), Commerce shall determine, and CBP shall assess, countervailing duties on all appropriate entries covered by this review, for the above-listed companies.

For the companies for which this review is rescinded, Commerce will instruct CBP to assess countervailing duties on all appropriate entries at a rate equal to the cash deposit of estimated countervailing duties required at the time of entry, or withdrawal from warehouse, for consumption, during the period January 1, 2021, through December 31, 2021, in accordance with 19 CFR 351.212(c)(1)(i). We intend to issue assessment instructions to CBP no earlier than 35 days after the date of publication of this notice in the *Federal Register*.

¹³ See 19 CFR 351.303.

¹⁴ See 19 CFR 351.303(f).

¹⁵ See *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 41363 (July 10, 2020).

For the companies remaining in the review, we intend to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

Cash Deposit Rate

Pursuant to section 751(a)(2)(C) of the Act, Commerce intends, upon publication of the final results, to instruct CBP to collect cash deposits of estimated countervailing duties in the amounts calculated in the final results for the companies listed above on shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this review, except, where the rate calculated in the final results is zero or *de minimis*, no cash deposit will be required. For all non-reviewed firms, we will instruct CBP to continue to collect cash deposits of estimated countervailing duties at the most recent company-specific or all-others rate applicable to the company, as appropriate. These cash deposit instructions, when imposed, shall remain in effect until further notice.

Notification to Interested Parties

These preliminary results of review are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.213(d)(4) and 351.221(b)(4).

Dated: May 31, 2023.

Lisa W. Wang,
Assistant Secretary
for Enforcement and Compliance.

Appendix I

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the *Order*
- IV. Period of Review
- V. Diversification of Korea's Economy
- VI. Rescission of the Administrative Review, In Part
- VII. Subsidies Valuation Information
- VIII. Benchmarks and Interest Rates
- IX. Analysis of Programs
- X. Recommendation

Appendix II

Companies for Which Commerce Is Rescinding the Review

1. Ajin Industrial Co., Ltd.
2. BDP International
3. Blue Track Equipment
4. Boxco
5. Bukook Steel Co., Ltd.
6. Buma CE Co., Ltd.
7. China Chengdu International Techno-Economic Cooperation Co., Ltd.
8. Daehan I.M. Co., Ltd.
9. Daehan Tex Co., Ltd.
10. Daelim Industrial Co., Ltd.
11. Daesam Industrial Co., Ltd.
12. Daesin Lighting Co., Ltd.
13. Daewoo International Corp.
14. Dong Yang Steel Pipe
15. DK Dongshin Co., Ltd.
16. Dongbu Steel Co., Ltd.
17. Dongkuk Industries Co., Ltd.
18. Dongkuk Steel Mill Co., Ltd.
19. EAE Automotive Equipment
20. EEW KHPC Co., Ltd.
21. Eplus Expo Inc.
22. GS Global Corp.
23. Haem Co, Ltd.
24. Han Young Industries
25. Hyosung Corp.
26. Hyundai Steel Co.
27. Jinmyung Fricttech Co., Ltd.
28. Khana Marine Ltd.
29. Kindus Inc.
30. Korean Iron and Steel Co., Ltd.
31. Kyoungil Precision Co., Ltd.
32. Menics
33. Qian'an Rentai Metal Products Co., Ltd.
34. Samsun C&T Corp.
35. Samsung
36. Shinko
37. Shipping Imperial Co., Ltd.
38. Sinchang Eng Co., Ltd.
39. SK Networks Co., Ltd.
40. SNP Ltd.
41. Steel N People Ltd.
42. Summit Industry
43. Sungjin Co., Ltd.
44. Young Sun Steel

